VZCZCXRO9971 RR RUEHROV DE RUEHAE #0488 2810812 ZNY CCCCC ZZH R 070812Z OCT 08 FM AMEMBASSY ASMARA TO RUEHC/SECSTATE WASHDC 9936 INFO RUCNIAD/IGAD COLLECTIVE RUEHEG/AMEMBASSY CAIRO 0463 RUEHRO/AMEMBASSY ROME 1770 RUEHYN/AMEMBASSY SANAA 1859 RUEKJCS/SECDEF WASHDC RUMICEA/JICCENT MACDILL AFB FL RUEKDIA/DIA WASHDC RHRMDAB/COMUSNAVCENT RUEPADJ/CJTF-HOA J2X CAMP LEMONIER DJ RUEAIIA/CIA WASHDC RHMFISS/CDR USCENTCOM MACDILL AFB FL

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SIPDIS

DEPARTMENT FOR AF/E, LONDON AND PARIS FOR AFRICA WATCHERS

E.O. 12958: DECL: 10/06/2018 TAGS: <u>EFIS PGOV ECON ER</u>

SUBJECT: INSIGHTS ON ERITREA'S STATE-OWNED FISHING INDUSTRY

REF: ASMARA 277

Classified By: CDA Melinda C. Tabler-Stone for Reason 1.4 (d)

11. (SBU) Summary: Eritrea will sustainably harvest 80,000 metric tons (MT) of fish per year, according to Minister of Fisheries Ahmed Haj Ali. Eritrea recently built three port facilities and purchased eight industrial fishing vessels and put them under the control of the parQatal NatQal Fishing Corporation, which will have monopoly rights to Eritrea's fishing grounds. Fishing will initially be for domestic consumption, but Eritrea hopes to export some of its catch eventually. End Summary.

NEW PORTS AND VESSELS

- 12. (SBU) Ali told the ambassador that three new small-scale fishing ports were recently built in towns between the two main ports of Massawa and Assab, including Tio, 130 miles southwest of Massawa. Each port facilQ is outfitted with new jetties, industrial-sized ice makers to keep the fish fresh, processing facilities, and generators for electricity. These new facilities will accommodate only small-scale fisherman. (Note: Post received accounts of small fishing vessels banned from leaving the port of Assab due to the fishermen trading fish in Aden, Yemen for hard currency and commodities not available in Eritrea. Emboffs have seen dozens of similar boats in Massawa that showed no indication of recent use. End Note.)
- 13. (SBU) Ali also said the Government of the State of Eritrea (GSE) recently purchased eight industrial fishing vessels from Italy, but that the boats had not yet been put to use due to lack of skilled manpower. To alleviate this shortage, students at the College of Marine Science and Technology in Massawa are currently being trained for employment in the fishing industry. The eight boats will eventually operate out of Massawa, but Ali did not say when operations would begin. The state-owned Eritrean Fishing Corporation will monopolize fishing in Eritrea's territorial waters, with some allowances given to Eritrea's small-scale fisherman.

FISHING STOCKS

14. (SBU) Eritrea's fisheries stocks hold 200 commercial species, although no species is dominant. Snapper, grouper, and Spanish mackerel are present throughout the year, with sardines and anchovies arriving seasonally. Ali said the

Ministries of Fisheries and Tourism are cooperating to harvest enough fish for domestic consumption and export, yet provide scenic diving fQEritrea's infant tourist industry. Ali estimated that Eritrea can sustainably harvest 80,000 MT of fish annually from its waters.

YEMENIS AND EGYPTIANS NEED NOT APPLY

- 15. (SBU) Ali told the ambassador that although Egyptian fishermen were previously given licenses to fish in Eritrea's waters, the agreement was terminated. Ali also said Yemeni fishermen were still poaching in Eritrean waters. The Egyptian and the Yemeni embassies in Asmara said the GSE was not currently holding any of their fishermen (reftel).
- 16. (C) Comment: The GSE has a miserable track record for operating businesses and industries. They have run their Coca Cola, beer, glass, cement, shrimping, and numerous other industries into the ground. The GSE grossly mismanaged Eritrea's construction and import/export monopolies, and have yet to fulfill a seven-year-old plan to fully open a free trade zone in Massawa. The government's promises to bring eight industrial fishing vessels online might be a source of hope for the food-deprived country, but iQs difficuQto imagine the GSE's attempt to manage a large-scale fishing industry will succeed.

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